

SENATE BILL 78

Unofficial Copy
K4

2003 Regular Session
3lr0452

By: **Senator Della**

Introduced and read first time: January 21, 2003

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Baltimore City Child Support Enforcement**
3 **Employees**

4 FOR the purpose of providing a certain amount of service credit to certain State
5 employees who were formerly employed by a private vendor to provide child
6 support enforcement services in Baltimore City; requiring certain State
7 employees to deposit a certain amount of money into a certain fund; reducing
8 certain retirees' allowances if a certain amount of money is not deposited into a
9 certain fund; and generally relating to service credit for certain members of the
10 State Retirement and Pension System who were employed by a private vendor
11 to provide child support enforcement services in Baltimore City.

12 BY adding to
13 Article - State Personnel and Pensions
14 Section 22-305.1 and 23-307.4
15 Annotated Code of Maryland
16 (1997 Replacement Volume and 2002 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - State Personnel and Pensions**

20 22-305.1.

21 (A) THIS SECTION APPLIES ONLY TO A MEMBER OF THE EMPLOYEES'
22 RETIREMENT SYSTEM WHO:

23 (1) WAS AN EMPLOYEE OF THE STATE PRIOR TO NOVEMBER 1, 1996;

24 (2) AS OF NOVEMBER 1, 1996 WAS EMPLOYED BY A PRIVATE VENDOR TO
25 PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES IN BALTIMORE CITY; AND

26 (3) RESUMED EMPLOYMENT WITH THE STATE AS OF NOVEMBER 1, 2002.

1 (B) A MEMBER DESCRIBED IN SUBSECTION (A) OF THIS SECTION SHALL
2 RECEIVE SERVICE CREDIT FOR THE TIME THE MEMBER WAS EMPLOYED BY A
3 PRIVATE VENDOR TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES IN
4 BALTIMORE CITY PRIOR TO JULY 1, 1998.

5 (C) (1) A MEMBER DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS
6 ENTITLED TO RECEIVE SERVICE CREDIT FOR THE TIME THE MEMBER WAS
7 EMPLOYED BY A PRIVATE VENDOR TO PROVIDE CHILD SUPPORT ENFORCEMENT
8 SERVICES IN BALTIMORE CITY FROM JULY 1, 1998 THROUGH OCTOBER 31, 2002.

9 (2) ON OR BEFORE JUNE 30, 2008, AND SUBJECT TO PARAGRAPH (3) OF
10 THIS SUBSECTION, A MEMBER WHO RECEIVES SERVICE CREDIT UNDER THIS
11 SUBSECTION SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OR OTHER
12 CORRESPONDING FUND AN AMOUNT OF MONEY EQUAL TO THE CONTRIBUTION
13 PAYMENTS THAT THE MEMBER AND THE EMPLOYER WOULD HAVE PAID HAD THE
14 MEMBER BEEN A STATE EMPLOYEE, INCLUDING REGULAR INTEREST ON THE
15 CONTRIBUTIONS AT THE RATE OF 4% PER YEAR COMPOUNDED ANNUALLY.

16 (3) ON RETIREMENT, THE MEMBER'S RETIREMENT ALLOWANCE SHALL
17 BE REDUCED BY THE ACTUARIAL EQUIVALENT OF THE AMOUNT DETERMINED
18 UNDER PARAGRAPH (2) OF THIS SUBSECTION IF THE MEMBER ELECTS NOT TO
19 DEPOSIT THIS AMOUNT IN THE ANNUITY SAVINGS OR OTHER CORRESPONDING
20 FUND.

21 23-307.4.

22 (A) THIS SECTION APPLIES ONLY TO A MEMBER OF THE EMPLOYEES' PENSION
23 SYSTEM WHO:

24 (1) WAS AN EMPLOYEE OF THE STATE PRIOR TO NOVEMBER 1, 1996;

25 (2) AS OF NOVEMBER 1, 1996 WAS EMPLOYED BY A PRIVATE VENDOR TO
26 PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES IN BALTIMORE CITY; AND

27 (3) RESUMED EMPLOYMENT WITH THE STATE AS OF NOVEMBER 1, 2002.

28 (B) A MEMBER DESCRIBED IN SUBSECTION (A) OF THIS SECTION SHALL
29 RECEIVE SERVICE CREDIT FOR THE TIME THE MEMBER WAS EMPLOYED BY A
30 PRIVATE VENDOR TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES IN
31 BALTIMORE CITY PRIOR TO JULY 1, 1998.

32 (C) (1) A MEMBER DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS
33 ENTITLED TO RECEIVE SERVICE CREDIT FOR THE TIME THE MEMBER WAS
34 EMPLOYED BY A PRIVATE VENDOR TO PROVIDE CHILD SUPPORT ENFORCEMENT
35 SERVICES IN BALTIMORE CITY FROM JULY 1, 1998 THROUGH OCTOBER 31, 2002.

36 (2) ON OR BEFORE JUNE 30, 2008, AND SUBJECT TO PARAGRAPH (3) OF
37 THIS SUBSECTION, A MEMBER WHO RECEIVES SERVICE CREDIT UNDER THIS
38 SUBSECTION SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OR OTHER
39 CORRESPONDING FUND AN AMOUNT OF MONEY EQUAL TO THE CONTRIBUTION

1 PAYMENTS THAT THE MEMBER AND THE EMPLOYER WOULD HAVE PAID HAD THE
2 MEMBER BEEN A STATE EMPLOYEE, INCLUDING REGULAR INTEREST ON THE
3 CONTRIBUTIONS AT THE RATE OF 5% PER YEAR COMPOUNDED ANNUALLY.

4 (3) ON RETIREMENT, THE MEMBER'S RETIREMENT ALLOWANCE SHALL
5 BE REDUCED BY THE ACTUARIAL EQUIVALENT OF THE AMOUNT DETERMINED
6 UNDER PARAGRAPH (2) OF THIS SUBSECTION IF THE MEMBER ELECTS NOT TO
7 DEPOSIT THIS AMOUNT IN THE ANNUITY SAVINGS OR OTHER CORRESPONDING
8 FUND.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
10 effect July 1, 2003.